

**RUGBY CITY COUNCIL
REGULAR MEETING
TUESDAY, JULY 6, 2010 - 7:30 P.M.
COUNCIL CHAMBERS**

Council Members present: Rheault, Lotvedt, Jacobson, Bednarz, Hoffert, Harmel, Geiszler and Wentz. Also present were Mayor Cichos, City Attorney Hartl, and City Auditor Harmel.

Mayor Cichos called the meeting to order at 7:30pm. Council members recited the Pledge of Allegiance. Roll call of council members by Mayor Cichos.

Added to the agenda was: John Voeller reimbursement for grass seed.

Motion by Hoffert to approve the minutes of the June 7 & 22, 2010 meetings. Second by Bednarz; all voting yes, motion carried.

Motion by Hoffert to approve the financial statements and payment of the bills, including reimbursement to John Voeller for grass seed in the amount of \$90.00, and the bills paid since last meeting: 10220 Bituminous Paving \$204,385.82, 10221 Alltel \$122.80, 10222 Convention & Visitors Bureau \$5,094.28, 10223 Dawn Mahle \$50.00, 10224 HACTC \$5,622.50, 10225 Lexi Broe \$165.00, 10226 Mark Krogstad \$64.52, 10227 ND Dept. of Health \$30.00, 10228 ND One Call \$35.10, 10229 ND Telephone Co. \$545.36, 10230 Otter Tail \$6,455.32, 10231 Rugby Job Authority \$12,184.22, 10232 Wells Fargo Bank \$400.00, 10233 Postmaster \$272.69, 10234 Rugby Sanitation \$18,478.71, Total Regular Bills Paid \$253,906.32; 10235-10292 Payroll Checks June-10 \$56,503.12, Soc. Sec. \$8,737.00, Medicare Taxes \$2,043.30, Payroll Taxes \$5,418.36, Electronic Total \$16,198.66; 10293 AFLAC Emp. \$375.68, 10294 NDPERS \$8,532.78, 10295 NDPERS \$620.00, 10296 NDPERS \$3,658.54, 10297 State Tax Commissioner \$2,207.79, Total Bills For Payroll \$88,096.57, Grand Total All Bills Paid Since Last Meeting \$342,002.89; and the bills to be paid: 10298 Advanced Engineering \$9,800.00, 10299 Aqua-Pure \$2,788.06, 10300 Bartsch Electric \$109.66, 10301 Bremer Bank \$6,083.46, 10302 CRA Payment Center \$154.88, 10303 Dakota Fence \$4,575.00, 10304 Dave Houim Tree Service \$460.00, 10305 Deplazes Redi-Mix \$2,047.50, 10306 Fargo Water Equipment \$642.86, 10307 Graymont Western Canada \$5,091.49, 10308 H.E.Everson \$228.01, 10309 HACTC \$1,357.67, 10310 Harper Oil \$504.35, 10311 Hawkins \$950.06, 10312 Hi-Way Tesoro \$1,703.55, 10313 I Design \$267.30, 10314 Johnson's Plumbing \$12.27, 10315 JS Wholesale & Vending \$311.56, 10316 KZZJ \$76.00, 10317 Mike Swanson Construction \$9,900.00, 10318 ND League of Cities \$1,504.00, 10319 ND Public Health Lab. \$48.00, 10320 Newman Traffic Signs \$188.69, 10321 Northern Plains Electric \$2,363.72, 10322 Only Deals \$8.03, 10323 Otter Tail \$26.25, 10324 Pamida \$86.32, 10325 Petty Cash \$41.67, 10326 Pierce County Auditor \$4,020.13, 10327 Pierce County Tribune \$930.23, 10328 Pioneer Mutual Life Ins. \$236.25, 10329 Postmaster \$132.00, 10330 Power Plan \$377.05, 10331 Precision Autobody \$615.60, 10332 Premier Lube \$30.80, 10333 Rugby Hardware Hank \$1,001.38, 10334 Rugby Lumber \$54.40, 10335 Rugby Sanitation \$179.00, 10336 Rugby Service Center \$100.00, 10337 Rugby Veterinary Service \$11.40, 10338 SRT \$28.99, 10339 St. Michel Furniture \$88.00, 10340 State Fire & Tornado Fund \$2,990.43, 10341 The Computer Store \$84.50, 10342 Titan Machinery \$24.18, 10343 Zep Sales & Service \$223.75, 10344 John Voeller \$90.00, 10345 Water Smith \$10,061.85, Total Additional Bills Approved \$10,151.85. Second by Geiszler, roll call vote, all voting yes, motion carried.

Motion by Jacobson to approve the Municipal Judge's report for June 2010. Second by Wentz; all voting yes, motion carried.

Motion by Wentz to approve the Rugby JDA minutes & financial statements. Second by Hoffert; roll call vote: all voting yes, motion carried.

Mayor Cichos opened the Public Hearing on the HAMC/Johnson Clinic Project for a Governor's Fund grant. No written or verbal comments were received at the public hearing.

JDA Executive Director Foster informed the Council that the Rugby JDA is purchasing the Johnson Clinic buildings. The hearing is required for a CDBG application for a \$110,000.00 forgivable loan, provided the clinic/hospital creates three jobs per year. The total project will cost \$776,000.00. A \$50,000.00 grant from CONAC has been obtained, along with a \$150,000.00 IRP loan from SBPC, with a \$155,200.00 community match from the Rugby JDA, and the rest to be financed, possibly through USDA. Foster also informed the Council that Iberdrola Wind Farms will host their dedication on October 12, and that the State has requested a Request For Proposals (RFP) from the Rugby JDA for a potential manufacturing plant. Motion by Hoffert to approve the Resolution of Sponsorship 2010-5. Second by Jacobson; roll call vote: all voting yes, motion carried.

Bids were opened for gasoline and diesel bids. Bids were submitted by Hi-Way MVP Store and Farmers Union Oil Co. Each bid \$0.07 discount from pump price. Discussion was held on how to award the bid. Motion by Hoffert to rotate for six month periods, with Hi-Way MVP Store starting the first 6 month period. Second by Bednarz; roll call vote: all voting yes, motion carried.

Discussion was held on Norval Johnson's building project, which is outside city limits, but within the city's one mile zoning jurisdiction. Discussion was held on lift stations, different types of septic systems, proximity to the city's flood control channel, water, and streets. The Council reviewed the recommendation by the Planning & Zoning Commission. Motion by Jacobson to approve the plan. Second by Hoffert. More discussion followed regarding platting public right of way, which would need Pierce County's permission. Motion by Lotvedt to amend the previous motion to require the platting of a dedicated right of way. Second by Hoffert. Roll call vote on original motion with amendment; all voting yes, motion carried.

Motion by Jacobson to approve the ND State Health Dept. Contract. Second by Geiszler; roll call vote: all voting yes, motion carried.

Discussion was held on purchasing property south of the water plant, in the event of future expansion. The owner is willing to sell the property to the city for \$23,000.00, and estimated costs for tearing down the house and disposal would be an additional \$3,100.00. Motion by Lotvedt to approve the purchase of the property. Second by Wentz. Discussion on whether the property would ever be used by the city or not was held, along with amending the budget. Roll call vote: all voting yes, with the exception of Jacobson, Bednarz, and Hoffert. Motion carried.

Motion by Jacobson to approve Well #5 repairs in the amount of \$10,061.85. Second by Wentz; roll call vote: all voting yes, motion carried.

There were no raffles or special event applications submitted.

Committee Reports: Buildings/Property - Chairman Bednarz met with several Fire Dept. members to determine a meeting date in July to discuss a new fire dept. building. Finance - met and discussed the 2011 budget and an Audit RFP, which will be sent out to approximately 20 accounting firms. Ordinances/Rec - no report. Personnel - no report. Public Safety - will need to hire two officers, and have received four applications so far. Water/Streets/Sewer - met with the Tyco street sweeper representative, and will maintain Highway 3 potholes thru this year, until NDDOT can permanently repair them in 2011, when a chip seal will be applied.

Correspondence received, special meetings and reminders: Tuesday, July 13 at 4pm - Water/Sewer/Streets Committee meeting; Wednesday, July 14 at 4pm - Finance Committee meeting; Wednesday, July 21 at 4pm - Ordinance/Recreation Committee meeting; Thursday, July 22 at 4pm - Public Safety Committee meeting; Tuesday, July 27 at 7pm Public Safety meets for LEC meeting at Courthouse; Wednesday, July 28 at 4pm - Finance Committee meeting.

There being no further business to transact or to come before the Council at this time, Mayor Cichos adjourned the meeting at 8:47pm.



Karla Harmel, City Auditor

7-12-10

Date Submitted

David C. Cichos, Mayor

Date Approved